

## TOP REGIONAL INSIGHTS



**The impacts of seasonal work are about to be felt throughout the Manawatū – Whanganui region.** Seasonal layoffs are in progress across the region’s four meat processing plants, with these people not expected to return to work for a few months (progressively from July through to September). For those working in this industry, particularly those in Whanganui, this puts whānau down to a single income for a few months. This is concerning for many as the increased cost of living has already added financial and social pressures. The sector also reports difficulty in attracting new people into the industry, with challenges varying between plants.

**There are reports of many people preparing themselves to leave their current jobs to take up new opportunities as several large infrastructure projects begin.** It is anticipated that this will mainly affect the primary industries, meat processing and seasonal industries. Many people see the projects as an opportunity for four-years of full-time employment and a chance to upskill. It is also expected that school leavers will gravitate towards these projects, creating a vacuum for entry-level positions in the affected industries.

## TRENDS AT A GLANCE



**69.4% - labour force participation rate** which is up from 69% at the same quarter the year prior. The labour force participation rate has remained relatively consistent over the last 12 months (only varying by 0.6%).



**3.8% - unemployment rate.** This is a difference of 0.2% compared to the same quarter the year prior. The Māori unemployment rate for the region is 5.4% (down by 3.6%).



**12.7% - NEET rate** which is an increase on the same time the year prior (NEET rate of 11.1%). This represents a total of 4,500 young people not in employment, education or training.

(Source: Stats NZ, Household Labour Force Survey, March 2021 Quarterly update)

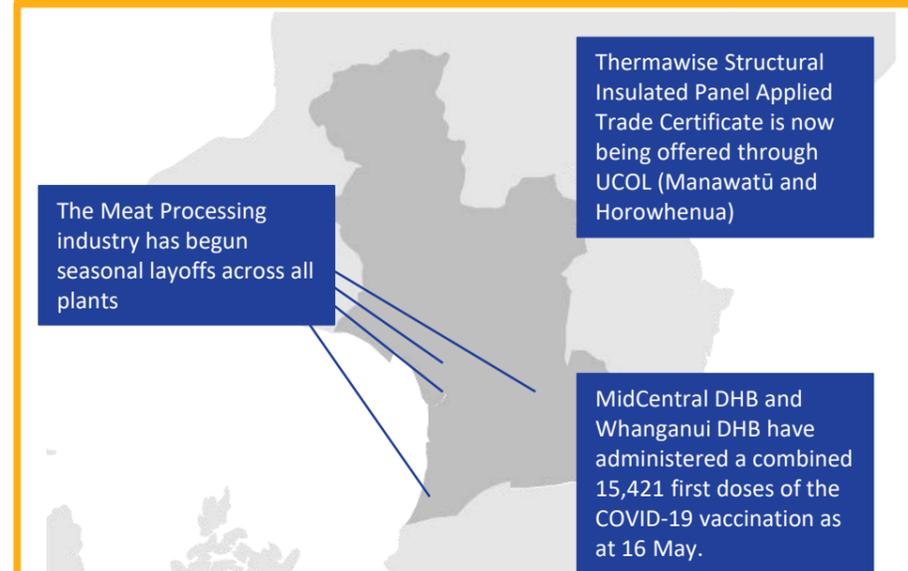
## TOP LABOUR MARKET OPPORTUNITIES

- Berry Farmers and those in the Viticulture industry are making changes to ensure that they have sufficient workforce to allow critical works to commence.** The changes focus on when they complete certain tasks, for example starting pruning earlier. Changing when critical tasks occur may create more stable employment for those in these industries.
- An agreement to share best practice, opportunities and talent, and skills challenges around driver licencing has been signed.** The agreement involves the National Driver Training Centre, Talent Central, Central Skills Hub and the Central Economic Development Agency. This will provide greater coordination and sharing of expertise within Manawatū-Whanganui.
- A six-month course called the ‘Thermawise Structural Insulated Panel Applied Trade Certificate’ is being offered at UCOL for the first time.** This funded programme includes pastoral care and has a key focus on fostering connections with rangatahi’s cultural identity.
- Greater district-wide coordination is occurring in Taranaki.** Community connectors, employment liaisons, work brokers and career support workers are beginning to meet together monthly to discuss industry needs, training opportunities and candidate support.

## TOP LABOUR MARKET CHALLENGES

- Annual shutdowns at the region’s Meat Processing facilities are about to begin,** which will add more people to the growing pool of unemployment in the region. Many of these people will not seek employment until the Meat Processing Facilities begin hiring again.
- The Health Sector is struggling to fill vacancies particularly for GPs, nurses and aged-care facility workers.** With the recent announcement around limiting wage increases within the public sector, this is expected to further hamper recruitment.
- The Hospitality Sector is struggling to recruit Chefs, and for the jobs they are able to fill, these are largely part-time.** The implications of this are existing chefs working longer hours, or businesses needing to reduce their offerings.
- Many youth in training or undertaking an apprenticeship are struggling with the rise in living costs.** This has resulted in many young people taking on additional work, and some needing to drop out of their training or apprenticeship.

## THE MANAWATŪ - WHANGANUI REGION



## OUR FOCUS FOR THE NEXT 2 MONTHS:

- Developing a Regional Coordination Action Plan
- Stakeholder engagement planning and execution
- Understanding implications of refreshed Regional Strategies

## People Supply

- Some Manawatū enterprises are placing a reliance on the border opening to bring in more migrant workers, eg builders.
- Renting and buying houses is a challenge for people wanting to move to Manawatū.
- Employers have raised concerns about finding work ready staff. Lack of car licences and suitable public and private transport to and from employment is an on-going concern and is limiting options for jobseekers throughout the region.
- Building and infrastructure enterprises are still reporting difficulty with staff recruitment. Extending the Trade Training funding is not expected to help much as the ratio of qualified staff to learners seems to be stretched. Like the farmers they are worried about the implications of the low unemployment data.
- There is a support gap in the Tararua District between school and entering the workforce for some 16-18 year olds. A negative perception of “going on the dole”, means they don’t fully connect to the systems there to support them.
- Some asparagus producers are wanting to bring in migrants to support their works as they are unable to fill roles locally.
- Corrections are working to understand future labour trends when preparing individuals to be ready for the workforce upon release.
- The AgriFood ‘Sort It’ employment expo went well, and is well supported by schools and potential job-seekers. However, the translation into jobs is still a long-term and indirect outcome.

## People in Workforce

- MyMahi (a platform to assist youth with planning for their future), are struggling to get businesses to complete creating an online presence. Despite feedback that businesses like the product and its engagement with the School students, they find the actual doing of the work challenging – this is down to their capacity and capability.
- With the rise of living costs those in training / apprenticeships cannot afford to live on the reduced wage - some are seeking additional work (those in training mainly).
- There is a shortage of experienced qualified trades people in the Carpentry and Automotive sectors, which is affecting employer’s capacity to take on apprentices due to the required on the job training and support.
- There has been an increase in the number of people looking to self-employment as an option, as the number of opportunities within the construction sector increases with new projects coming online.
- Hapū and community organisations within Whanganui have collaborated to most effectively utilise their shared resources to address some of the inadequacies in the housing shortage.
- Rental of portable cabins has skyrocketed in Tararua – there are instances of houses having two cabins attached outside.
- Tupoho have formed a partnership with the Whanganui District Council to address the housing shortage. Tupoho Housing Company has been created and have applied to be a Community Housing Provider through the Ministry of Housing and Urban Development (HUD).

## Jobs

- Firms are struggling to recruit Lawyers in the Manawatū.
- The Health Sector in Manawatū is struggling to recruit GPs, nurses, aged-care facility staff, builders and electricians.
- The Manawatū labour market continues to see a high volume of vacancies in Security, Transport, Engineering, Administration, Cleaning, General Labouring and Hospitality sectors.
- Food hospitality is providing new jobs but there is a desperate shortage of chefs. It should be noted that the jobs in this sector are mostly part-time.
- Industries currently hiring for multiple entry-level positions in Tararua include Silviculture, Forestry, Manufacturing / Processing, and Meat Processing. The main barriers to getting people into these jobs are lack of drivers licence, lack of transport and lack of desire to work in these industries.
- There are approximately 100 permanent positions vacant between the three main employers in the meat processing / distribution industries in the Tararua District. These employers are looking for new ways to entice job seekers, eg different hours for shifts.

## Skills Development

- There is a gap of experienced people in the workforce unwilling to become mentors as most are too busy, need to focus on their own targets, and are trying to progress their own careers. This reduces the number of apprentices and entry level roles available in Tararua.
- Feedback from employees is that middle management are not good at Professional Development, meaning they are struggling to build the capacity of their current teams.
- Some Builders feel that UCOL’s training only talks about residential building and does not put a light on commercial building. This is limiting students exposure to the career opportunities available and the skills and knowledge needed to pursue them.
- MSD is consulting with key players from the Civil Construction and Transport sectors to develop a training programme. It will support clients with Class 2 or 4 Learners to gain training and hands on experience with the Road Ranger gear box (required by majority of employers).
- There have been a few courses made available in the Tararua District that have had low uptake levels because the course didn’t result in a job straight away. Examples include a Pest Operations Course, and a Machinery and Infrastructure Course.

## Employers

- Low unemployment data is worrying farmers due to the perception of unemployed people as unmotivated. They are concerned about their ability to develop the necessary skills in farming.
- Dairy Farmers are still struggling with labour shortages. They believe that there is a lack of people with skills and interest in farming, and don’t want to resort to simply putting a warm body into a vacancy.
- Sheep and beef farmers have less demand and seem to be tapping into a traditional recruitment group, but are still finding it hard to get enough good people. The crop based people seem to be in a similar situation.
- Berry farmers and viticulture people are holding on to the small numbers of pickers they have and using them to prune early to have the assurance it can be done.
- The manufacturing and distribution sector is increasingly focussed on boosting productivity and improving skills. They worry about the work-readiness and work-familiarity of new hires, and their level of motivation. The fear is that the only way to manage is to restrict output in the short-term which impacts on their ability to grow output and profit in the long-term.

## Demand Drivers

- ‘Accelerate25’ the Manawatū – Whanganui regional economic strategy has been refreshed.
- Whanganui Iwi have large projects on the horizon, with the aim of these translating to job creation within the community.
- Big projects coming online will have conditions stated that local knowledge is required (if the contracts are awarded out of the rohe).
- Ongoing issues with the supply chain are causing a shortage in the supply of materials, higher transportation costs of importing and exporting, and could potentially result in a downturn in business activity.
- The high levels of building activity are feeding through to retail with consistent growth in furnishings and appliances. Consumer level DIY is also proving positive for building supply merchants.
- A lack of co-ordination in training in the region and an explosion in the number of people in the ‘employment support arena’ has led to the formation of the Tararua Employment Collaboration Group.
- Supply chain constraints are creating delays in forward work planning, particularly within the construction sector.

### KEY

People Supply (School Leavers, Work Transition, People not in the Workforce, Migration)

People in Workforce (Environment, Intentions, Responses, Challenges, Trends)

Employers (Environment, Intentions, Responses, Challenges, Trends)

Skills Development (Tertiary, Apprenticeships, Work Ready, Other Education and Training)

Jobs (Conditions, Standards, Recruitment, Vacancies, Trends)

Demand Drivers (Economic Trends and Development, Project Stimulus, Sector Trends)